



Managerial roles in building dynamic capabilities: an exploratory
study of Information and Communication Technology (ICT)
companies in Bangladesh

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degree of Doctor of Philosophy (PhD)

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I certify that the work in this thesis has not previously been submitted for a degree nor has it been submitted as part of requirements for a degree except as fully acknowledged within the text.

I also certify that the thesis has been written by me. Any help that I have received in my research work and the preparation of the thesis itself has been acknowledged. In addition, I certify that all information sources and literature used are indicated in the thesis.

This research is supported by the Australian Government Research Training Program.

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List of Acronyms and Abbreviations

Terms	References
Managerial cognitive ability	Managerial cognitive capability is the capacity of an individual manager to perform one or more of the mental activities that comprise cognition (Helfat & Peteraf 2015)
Managerial social capital	Managerial social capital reflects a manager's ability to gain and access vital resources through exploiting personal connections and relationships (Adler & Kwon 2002).
Managerial human capital	Managerial human capital is the managerial skills set and knowledge developed by their personal and professional experience and education (Castanias & Helfat 2001)
Managerial entrepreneurship	An entrepreneur manager is the individual who generates innovation within an established firm (Lau, Shaffer, Chan & Man 2012).
Managerial ambidextrous role	The senior manager's behavioural capacity to achieve alignment and adaptability simultaneously (Gibson & Birkinshaw 2004).
Dynamic capability	Dynamic capability refers to organisational ability to address changes in the business environment through sensing, seizing, and reconfiguring organisational tangible and intangible resources and capabilities during rapidly changing business environment (Teece, Pisano & Shuen 1997; Teece 2009; Eisenhardt & Martin 2000)
Organisational structure	Organisational structure is the process of delegation of autonomy across the organisational member, decision rules and hierarchy (Teece 2009, O'Reilly & Tushman 2008).
Organisational culture	A dynamic community with cooperative mindset and capacity to embrace failure (Brown & Eisenhardt 1997)
External environment	The external environment refers to the business ecosystem consisting individuals, organisations or institutions that can impact to the focal organisation, along with customers and suppliers. The standard-setting bodies, regulatory authorities, complimentors, the judiciary system, education and research organisations, also are included into the relevant community of organisations that may have potential impact on the focal organisation's strategic intent (Teece 2009).

Glossary

Abbreviation of key terminologies used in this research

BASIS- Bangladesh Association of Software and Information Services

CEO- Chief Executive Officer

CMM- Capability Maturity Model

DCV – Dynamic Capability View

ICT- Information and Communication Technology

RBV- Resource Based View

Abstract

The dynamic capability view (DCV) refers to the process of responding to changes in the external business environment through carrying out necessary transformations needed within the resources, capabilities, and the operational routines of an organisation. The process of building dynamic capabilities within the organisational boundary in emerging or developing economies is significantly under-researched, as the substantial body of scholarly investigation on this research stream has been mainly carried out within the context of developed economies. Due to the growing trend of offshoring value-added services to developing countries, it is crucial for managers to harness a systematic process of capability-building initiatives in emerging economies. This reinforces the importance of research on dynamic capabilities in this area. Furthermore, scholars emphasise the need for additional empirical research on how managerial attributes and roles in building dynamic capabilities influence firm performance.

Responding to these research gaps, this research aims to investigate the influence of individual managerial roles and attributes, the influence of organisational factors such as organisational structure and culture, and to examine the consequences of building dynamic capabilities within the context of medium-sized information and communication technology (ICT) companies in Bangladesh.

This research applies a case study method and qualitative research methodology to pursue the research objective and explore rich insights. Scholars have widely used the case study method to investigate the capability-building process in ICT companies, and for this research a total of four ICT companies were investigated. In addition to primary data collected, several secondary data sources were used, however, the interviews conducted with highly knowledgeable managers were the key source of information. The data collected was first transcribed, translated and then analysed to answer the research questions. Finally, four individual case reports and one cross-case report are reported to extrapolate the findings.

This research makes three theoretical and two practical contributions to the strategic management literature. The first theoretical contribution distinguishes the nature of dynamic capability practices within medium-sized ICT companies and extends the applicability of the DCV into medium-sized companies. Interventions are identified as organisational actions of temporarily allocating resources and routines to pursue necessary transformation within resources and capabilities to address changes in the external environment. This research makes a second theoretical contribution through offering rich

evidences around the influence of managerial attributes and roles in building dynamic capabilities. The research found that managers facilitate building dynamic capabilities through leveraging experience, relationships with the customers, internal relationships, attention, and creativity, following an ambidextrous approach. Finally, the findings on the consequences of dynamic capabilities shed lights to the present theoretical knowledge on the outcomes of dynamic capabilities with practical evidences.

This research offers two practical contributions for managers and policy makers. First, evidences of implementing effective and cost-efficient transformation through interventions will help managers to carry out necessary changes in similar external environmental contexts in an effective and efficient manner. Additionally, findings of this research may aid in developing managerial skills and capabilities to ensure superior utilisation of the resources of medium-sized ICT companies when transforming in response to changes in the external environment. Secondly, organisational policy makers will be able to better develop effective policy instruments to provide support to medium-sized ICT companies, and equip them with necessary resources, skills, and capabilities to sustain in a rapidly changing business environment.

There are a few limitations to this research. First, case study research emphasises analytical generalisation rather than statistical generalisation, therefore the findings of this research need to be carefully considered before applying them in a different context or to a larger population of ICT companies in developing economies. Future research should include quantitative investigation and mixed-method research to obtain robust results to aid quantitative measurement of the various constructs within the dynamic capabilities building practices. Additionally, the dynamic capabilities framework presented here may not be as applicable in different organisational, industry or national contexts due to differences in industry structure, business eco-systems, quality of higher skills, or the development status of the technological infrastructure. Finally, the findings of this research would benefit by being tested and generalised by further study adopting different theoretical lenses.